

ARTICLE APPEARED
IN WASHINGTON POST
A-1WASHINGTON POST
22 February 1985

U.S. Arms Spending Has Outpaced That Of Soviets, CIA Says

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The Soviet Union's defense expenditures have been growing about 2 percent a year since 1976, a slower rate than earlier believed and a much slower rate than overall U.S. defense outlays, according to a Central Intelligence Agency report released yesterday.

In the continuation of an intelligence dispute, the CIA estimate of Soviet spending also conflicts with a much higher Defense Department estimate that made headlines last June and with various Pentagon statements citing an unrelenting Soviet buildup as the justification for U.S. military increases.

Sen. William Proxmire of Wisconsin, ranking Democrat on the Joint Economic subcommittee that released the CIA estimate, said, "It is time for Washington to take official notice that Soviet military procurement has been stagnant for the past seven years and to stop acting like nothing has changed." The subcommittee's senior Republican has not been designated.

"Before 1976, growth in total [Soviet] defense spending had averaged about 4 to 5 percent per year; after 1976, the rate of increase in spending dropped appreciably, to about 2 percent a year," Robert Gates, CIA deputy director for intelligence, testified to the international trade, finance and security economics subcommittee in a secret session last Nov. 21.

The CIA testimony, which has since been declassified for public release, said the "main source" of the slowdown in Soviet military growth was "a stagnation in spending for military procurement since 1976."

This appeared to conflict directly with a Pentagon press conference last June 13 that reported that Soviet procurement of major weapons systems had increased between 5 and 10 percent from 1982 to 1983, on the basis of preliminary findings by the Defense Intelligence Agency. The same Defense Department press conference, which was held at the direction of Secretary Caspar W. Weinberger, reported an overall Soviet military spending increase of 3 to 4 percent over the 1982-1983 period.

A DIA official testified before the same subcommittee last month on the current Pentagon view of the Soviet military buildup. This testimony has not been cleared for public release, and neither the panel nor the Pentagon would discuss it in detail yesterday.

A Defense official familiar with the studies said "nothing has occurred [since last June] to make us want to change" the DIA estimate.

A large-scale revision of the CIA's Soviet military spending estimates, first released in 1983, caused a major controversy between the civilian and military intelligence agencies. Even though differences about current figures remain, the Defense official, who asked not to be quoted by name, said DIA now agrees that the Soviets shifted to a lower growth rate in the mid-1970s.

Some of the current differences between estimates of the two intelligence agencies, specialists said, may flow from variations in their methods of estimating Soviet expenditures.

Until two years ago, the CIA had said that Soviet military spending had been rising steadily since 1965 at an annual rate of 4 to 5 percent,

measured in constant 1970 rubles. In 1983, the CIA shifted to an estimate of about 2 percent annual growth on the same basis for the post-1976 era. This estimate was confirmed and carried forward through 1983 in the testimony made public yesterday.

Even at the reduced rate of Soviet military growth, Gates testified, the Soviet military "was able to continue to modernize its forces and to enhance substantially its military capabilities."

He said that between 1976 and 1983, the Soviets purchased 1,100 land-based intercontinental ballistic missiles and 700 submarine-launched ballistic missiles, 5,000 fighter planes, 300 bombers and 15,500 new tanks.